

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 1943 – HB 2005

February 11, 2022

SUMMARY OF BILL: Authorizes the Massage Licensure Board to grant a six-month temporary license to a person who is licensed, registered, or certified in another state or territory of the United States.

FISCAL IMPACT:

**Increase State Revenue – \$14,800/FY22-23 and Subsequent Years/
Massage Licensure Board**

Pursuant to Tenn. Code Ann. § 4-29-121, all health-related boards are required to be self-supporting over a two-year period. The Massage Licensure Board had a deficit of \$46,385 in FY19-20, a surplus of \$121,963 in FY20-21, and a cumulative reserve balance of \$770,932 on June 30, 2021.

Assumptions:

- There are currently approximately 4,500 licensed massage therapists in Tennessee.
- In FY20-21, there were 61,390 individuals who moved to Tennessee from another state or territory of the United States according to the U.S. Census Bureau. Since 61.2 percent of the current population in Tennessee is between the ages of 18 and 65, it can be assumed that 37,571 (61,390 x 61.2%) individuals between 18 and 65 move to Tennessee each year.
- Under the proposed legislation, an individual would be able to receive a temporary license up to six months prior to completion of the competency exam for their licensure, which would be necessary in order to re-validate any existing license when moving into Tennessee.
- Currently in Tennessee, massage therapists make up 0.14 percent of the state civil labor force. Assuming that this percentage holds true for the individuals moving in to Tennessee, there would be an estimated 53 (37,571 x 0.14%) massage therapists who would need to go through the re-certification process in order to hold a valid license.
- The current cost of a massage therapist licensure application in Tennessee is \$280. Assuming that the temporary license would have the same price and that each of the 53 individuals applied for a temporary license at a cost of \$280, this would lead to a recurring increase in state revenue to the Massage Licensure Board of \$14,840 (53 x \$280), beginning in FY22-23.

- The Massage Licensure Board will be able to process the additional application without a significant increase in Board expenditures.
- Pursuant to Tenn. Code Ann. § 4-29-121, all health-related boards are required to be self-supporting over a two-year period. The Massage Licensure Board had a deficit of \$46,385 in FY19-20, a surplus of \$121,963 in FY20-21, and a cumulative reserve balance of \$770,932 on June 30, 2021.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

/cd